

## Fiscal Service, Treasury

## § 316.11

from all other taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

(b) *Federal income tax on bonds.* An owner of Series E bonds who is a cash-basis taxpayer may use either of the following two methods of reporting the increase in the redemption value of the bonds for Federal income tax purposes:

(1) Defer reporting the increase to the year of final maturity, actual redemption, or other disposition, whichever is earlier; or

(2) Elect to report the increases each year as they accrue, in which case the election applies to all Series E bonds then owned and those subsequently acquired, as well as to any other similar obligations purchased on a discount basis. If the method in paragraph (b)(1) of this section is used, the taxpayer may change to the method in paragraph (b)(2) of this section without obtaining permission from the Internal Revenue Service. However, once the election to use the method in paragraph (b)(2) of this section is made, the taxpayer may not change the method of reporting without permission from the Internal Revenue Service. For further information on Federal income taxes, the Service Center Director, or District Director, Internal Revenue Service, of the taxpayer's district may be contacted.

### § 316.10 Payment or redemption.

(a) *General.* A Series E bond may be redeemed in accordance with its terms at the appropriate redemption value shown in the applicable table described in paragraph (f) of § 316.8. The redemption values of bonds in the denomination of \$100,000 are not shown in the tables. However, the redemption value of a bond in that denomination will be equal to ten times the redemption value of a \$10,000 bond of the same issue date. A bond in a denomination higher than \$25 (face amount) may be redeemed in part but only in the amount of an authorized denomination or multiple thereof.

(b) *Federal Reserve Banks and Branches and United States Treasury.* Owners of Series E bonds may obtain payment upon presentation and sur-

render of the bonds to a Federal Reserve Bank or Branch referred to in § 316.12 or to the Department of the Treasury with the request for payment on the bonds duly executed and certified in accordance with the governing regulations.

(c) *Incorporated banks, savings and loan associations and other financial institutions.* (1) A financial institution qualified as a paying agent under the provisions of 31 CFR part 321, also published as Department of the Treasury Circular, Public Debt Series No. 750, as revised, will pay the current redemption value of a Series E bond presented for payment by an individual whose name is inscribed on the bond as owner or coowner, provided:

(i) The bond is in order for payment; and

(ii) The presenter establishes his or her identity to the satisfaction of the agent, in accordance with Treasury instructions and identification guidelines, and signs and completes the requests for payment.

(2) A paying agent may (but is not required to) pay a Series E bond, at current redemption value, upon the request of a legal representative designated in the bond's registration by name and capacity, a court-appointed legal representative of the last-deceased registrant's estate, or a beneficiary, if he or she survives the owner, provided:

(i) The bond is in order for payment; and

(ii) The presenter establishes his or her identity to the satisfaction of the agent, in accordance with Treasury instructions, identification guidelines, and otherwise complies with evidentiary requirements.

[57 FR 14276, Apr. 17, 1992, as amended at 59 FR 10535, Mar. 4, 1994]

### § 316.11 Reservation as to issue of bonds.

The Secretary of the Treasury reserved the right to reject any application for purchase of Series E bonds, in whole or in part, and to refuse to issue, or permit to be issued hereunder, any such bonds in any case or any class or classes of cases if such action was deemed to be in the public interest.

## § 316.12

## 31 CFR Ch. II (7–1–06 Edition)

Any action in any such respect was final.

### § 316.12 Fiscal agents.

(a) Federal Reserve Banks and Branches referred to below, as fiscal agents of the United States, are authorized to perform such services as

may be requested of them by the Secretary of the Treasury in connection with the redemption and payment of Series E bonds.

(b)(1) The following Federal Reserve Offices have been designated to provide savings bond services:

Servicing office	Reserve districts served	Geographic area served
Federal Reserve Bank, Buffalo Branch, P.O. Box 961, Buffalo, NY 14240.	New York, Boston	CT, MA, ME, NH, NJ (northern half), NY (City & State), RI, VT, Puerto Rico and Virgin Islands.
Federal Reserve Bank, Pittsburgh Branch, P.O. Box 867, Pittsburgh, PA 15230.	Cleveland, Philadelphia.	DE, KY (eastern half), NJ (southern half), OH, PA, WV (northern panhandle).
Federal Reserve Bank of Richmond, P.O. Box 27622, Richmond, VA 23261.	Richmond, Atlanta	AL, DC, FL, LA (southern half), MD, MS (southern half), NC, SC, TN (eastern half), VA, WV (except northern panhandle).
Federal Reserve Bank of Minneapolis, 250 Marquette Avenue, Minneapolis, MN 55480.	Minneapolis, Chicago.	IA, IL (northern half), IN (northern half), MN, MT, ND, SD, WI.
Federal Reserve Bank of Kansas City, 925 Grand Avenue, Kansas City, MO 64198.	Dallas, San Francisco, Kansas City, St. Louis.	AK, AR, AZ, CA, CO, HI, ID, IL (southern half), IN (southern half), KS, KY (western half), LA (northern half), MO, MS (northern half), NE, NM, NV, OK, OR, TN (western half), TX, WA, WY, UT and GU.

(2) Until March 1, 1996, other Federal Reserve Offices may continue to provide some savings bond services, such services will be phased out over the period prior to that date.

[59 FR 10535, Mar. 4, 1994]

### § 316.13 Reservation as to terms of offer.

The Secretary of the Treasury may at any time, or from time to time, supplement or amend the terms of this offering of bonds, or of any amendments or supplements thereto.

## PART 317—REGULATIONS GOVERNING AGENCIES FOR ISSUE OF UNITED STATES SAVINGS BONDS

Sec.

317.0 Purpose and effective date.

317.1 Definitions.

317.2 Organizations authorized to act.

317.3 Procedure for qualifying and serving as issuing agent.

317.4 Issuing agents currently qualified.

317.5 Termination of qualification.

317.6 Issuance of bonds.

317.7 Obtaining and accounting for bond stock.

317.8 Remittance of sales proceeds and registration records.

317.9 Role of Federal Reserve Banks.

317.10 Reservation.

AUTHORITY: 2 U.S.C. 901; 5 U.S.C. 301; 12 U.S.C. 391; 12 U.S.C. 1767; 31 U.S.C. 3105.

SOURCE: 54 FR 40830, Oct. 3, 1989, unless otherwise noted.

### § 317.0 Purpose and effective date.

The regulations in this part govern the manner in which an organization may qualify and act as an agent for the sale and issue of Series EE and Series I United States Savings Bonds.

[63 FR 38041, July 14, 1998]

### § 317.1 Definitions.

(a) *Bond(s)* means Series EE United States Savings Bonds and Series I United States Savings Bonds.

(b) *Federal Reserve Bank* refers to the Federal Reserve Bank or Branch providing savings bond services to the district in which the issuing agent or the applicant organization is located. See § 317.9(a).

(c) *Issuing agent* refers to an organization that has been qualified by a designated Federal Reserve Bank or the Commissioner of the Bureau of the Public Debt to sell savings bonds. An issuing agent acts as an agent of the purchaser in handling the remittance. The definition encompasses: